

APPENDIX

Blind Work Expense Exclusion (BWE):

(Public Law 92-603, effective January 1974)--Permits the exclusion of any earned income of a blind person which is used to meet any expenses reasonably attributable to earning the income.

Earned Income Exclusion:

(Public Law 92-603, effective January 1974)--The first \$65 of a recipient's monthly earnings and one-half of the earnings in excess of \$65 are excluded in computing the SSI benefit payable.

Impairment Related Work Expenses (IRWE):

(Public Law 96-265, effective December 1980)--Provides for the exclusion from earnings of the costs of items and services which are needed in order to work and are paid for by the individual. These IRWE's are excluded from earnings used in the determination of SGA and earned income used to compute ongoing SSI monthly payments. Beginning December 1990, the IRWE exclusions are also applied in the determination of income for purposes of initial SSI eligibility.

Plan for Achieving Self-support (PASS):

(Public Law 92-603, effective January 1974)--Permits a disabled or blind SSI recipient who has an approved PASS to set aside earned or unearned income and resources for a work goal. The income or resources set aside are used to pay for goods or services needed to reach the goal, such as education, vocational training, starting a business, or purchasing work related equipment. Income and resources set aside under a PASS are excluded from SSI income and resources tests but do not influence the determination of ability to engage in SGA.

Continuation of Payments:

(Public Law 96-265, effective December 1980)--Provides for the continuation of SSI (also SSDI) payments to disabled individuals after their disability ceased, due to medical recovery, if they are participating in approved vocational rehabilitation plans and SSA determines that completion of the program will increase the chances of permanent removal from the disability rolls. The provision assists individuals whose medical improvement occurs before completion of vocational training. This provision was extended to SSI recipients whose eligibility was based on blindness by Public Law 100-203, effective April 1988.

Treatment of Sheltered Workshop Earnings:

(Public Law 96-265, effective September 1980)--Provides that remuneration for services performed in sheltered workshops or activities centers would be treated as earned income. This change made it possible to apply the earned income exclusion to earnings that previously were subject to the general income exclusion i.e., the first \$20 and a dollar-for-dollar offset thereafter.

Section 1619(a):

(Public Law 96-265, effective January 1981; made permanent by Public Law 99-643, effective July 1987)--Provides special SSI cash benefits to disabled individuals who lose eligibility for SSI payments under the regular rules because they have earnings at the level that is ordinarily considered to represent substantial gainful activity.

Section 1619(b):

(Public Law 96-265, effective January 1981; made permanent by Public Law 99-643, effective July 1987)--Provides special SSI recipient status for Medicaid purposes to working disabled or blind individuals when their earnings make them ineligible for cash payments.

Substantial Gainful Activity (SGA):

(Public Law 92-603, effective January 1974)--Is the performance of significant physical and/or mental activities in work for pay or profit, or in work of a type generally performed for pay or profit. Because earnings provide an objective and feasible measure of work, an employee's earnings and a self-employed individual's earnings and/or activity are used as the measure of SGA. The current SGA level is \$500.

An individual may benefit from more than one of the work incentive provisions. For example, he or she may receive special cash payments under Section 1619 and have income excluded under a PASS. Other combinations are also possible, but it is not possible to have both IRWE and BWE.